

Summary of Dearborn County 2017 Annual Adjustment Methodology

Method

The sales comparison method using local market data was used to adjust the assessments in Dearborn County for 2017. The annually adjusted values used in the study were developed based on updated land values, updated Local Cost Multipliers, Phase III Cyclical Reassessment and any changes in parcel characteristics discovered during Phase III new construction field review activities. The sales used for the 2017 annual adjustments were from January 1, 2015 to December 31, 2016. Additional years were added when there were an insufficient number of sales in a particular property class. The land base rates and neighborhood factors were examined in each neighborhood and property class. Neighborhoods with an insufficient number of sales were compared to significantly similar neighborhoods. The criteria for comparison were geographic location, similarity of land size and improvement type and age, and any other factors deemed relevant. Comparisons were also made between adjoining neighborhoods and townships to insure the continuity of land base rates and neighborhood factors.

Due to the lack of adequate paired sales or re-sales data, a reliable indication of overall market movement in Dearborn County, solely as a function of time, cannot be reasonably supported. Therefore, no time adjustment has been applied to any class.

Industrial Improved Properties:

Sales for improved industrial properties were expanded to include valid transactions occurring from January 1, 2014 to December 31, 2016. There were 2 industrial improved sales in Dearborn County during that period. They were combined with the commercial vacant and improved properties for further analysis.

Commercial Properties:

Sales for improved commercial properties were expanded to include valid transactions occurring from January 1, 2014 to December 31, 2016. Data were combined from all commercial property sales to evaluate those areas where there were insufficient sales.

Commercial and Industrial Land:

Due to very low market activity, sales for commercial and industrial land have been expanded to include all valid transactions occurring from January 1, 2014 to December 31, 2016. Only 1 valid commercial land sale and 1 industrial land sale took place during the expanded time horizon. As a result, the vacant sales have been combined with the improved commercial and industrial properties for analysis.

Residential Properties:

VACANT: Sales for vacant residential properties include all valid transactions occurring from January 1, 2015 to December 31, 2016. While there were a sufficient number of sales in Miller Township to stand alone, they were combined with the 9 Logan sales in order to provide a more credible analysis both markets.

IMPROVED: Sales for improved residential properties included all valid transactions occurring from January 1, 2015 to December 31, 2016. Similar townships were grouped in order to enhance the statistical reliability of the study.

NOTE: The additional tab “Sales Reconciliation” provides an explanation of all sales identified in the “*DEARBORN Sales Reconciliation 02-06-2017.xlsx*” file received on 02/06/2017.